Government of Saskatchewan

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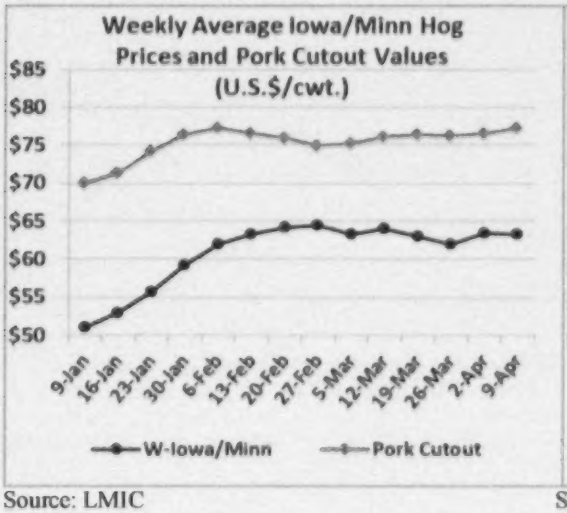
Weekly Hog Report

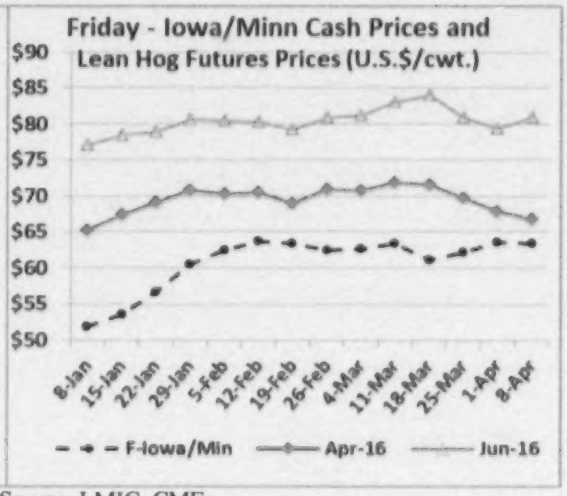
April 11, 2016

Cash Slaughter Weight Hog Prices

United States daily average cash hog prices (Iowa/Minn) were relatively steady last week but edged slightly lower, week-over-week. Hog prices on Friday April 8 averaged US$63.33 per cwt, down slightly from US$63.48 per cwt the previous Friday. The negotiated base price last week averaged US$63.20 per cwt, down slightly from US$63.34 per cwt the previous week.



Source: LMIC



Source: LMIC, CME

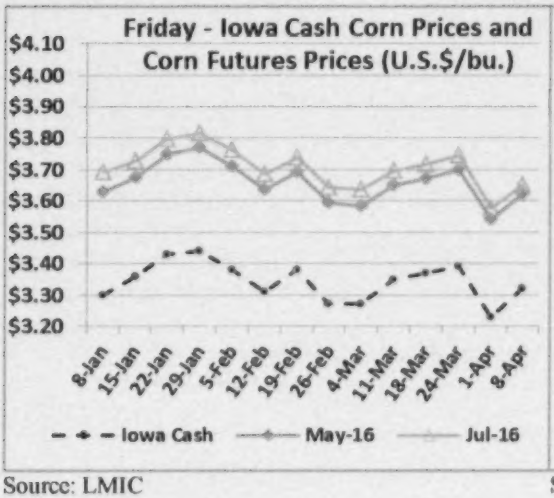
In Canada, the Signature#3 (Maple Leaf) Index 100 daily price for Friday April 8, 2016 was $151.26 per ckg, up $3.09 per ckg or 2.1 per cent from $148.17 per ckg the previous Friday. Signature#3 weekly prices (Friday to Thursday) averaged $151.37 per ckg, up $1.26 per ckg or 0.8 per cent from the previous weeks' average price of $150.11 per ckg. The Canadian dollar was mixed last week but managed to edge higher closing Friday at 76.91 cents, up slightly from 76.84 cents the previous Friday.

Futures Markets

United States lean hog futures daily prices were mixed over the week with some late week increases to help most contracts moved higher, week-over-week. The nearby April 2016 contract declined US$0.975 per cwt last week to settle Friday at US$66.825 per cwt. The May contract increased US$1.225 per cwt to settle Friday at US$76.725 per cwt, while the June 2016 contract increased US$1.500 per cwt to settle Friday at US$80.875 per cwt.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices edged slightly higher last week. Weighted average cash prices for iso-weans (12lb) last week were US$40.05 per head, up US$0.31 per head from US$39.74 per head the previous week. Feeders (40lb) averaged US$79.95 per head, up $0.34 per head from US$79.61 per head, the previous week.



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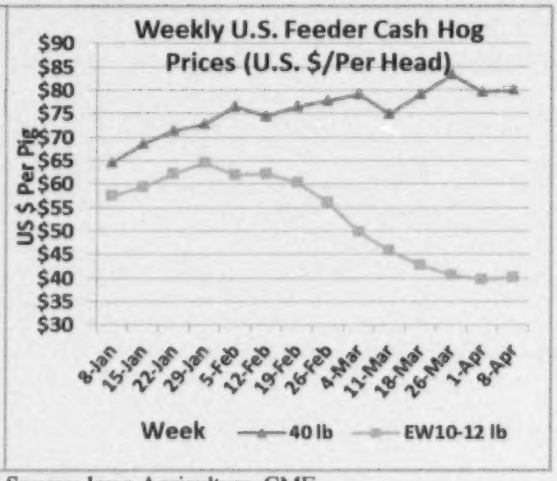


Source: Iowa Agriculture, CME

U.S corn prices rebounded from the previous week. Iowa cash corn prices increased nine cents to settle Friday at US$3.32 per bushel. U.S. daily corn futures prices were primarily higher over the week to end the week higher, week-over-week. The May 2016 corn contract increased over eight cents per bushel to settle Friday at US$3.62¼ per bushel, while the July 2016 contract increased over seven cents to settle Friday at US$3.65 per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending April 9 were estimated 2.154 million head, down 1.2 per cent from 2.181 million head the previous week, and down 1.0 per cent from 2.175 million head the same week a year ago. U.S. hogs slaughtered over the last four weeks ending April 9 averaged 2.172 million head per week, down 2.2 per cent from 2.220 million head over the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending April 2, 2016 were estimated at 392,644 head, up 4.8 per cent from 374,515 head the previous shorter Good Friday week, but down 0.3 per cent from 393,740 head the same week a year ago. Canadian hog slaughter numbers over the last four weeks averaged 405,210 head, up 0.5 per cent from 403,413 head over the same period in 2015. Year-to-date, hogs slaughtered in Canada in 2016 have totaled 5,448,237 head, up 3.0 per cent from 5,290,510 head over the same period in 2015.

Meat Production

U.S. pork production for the week ending April 9, 2016 was estimated at 458.3 million lb., down 1.2 per cent from 463.9 million lb. the previous week, and down 1.8 per cent from 466.7 million lb. the same week a year ago. Pork production over the last four week's ending April 9 was estimated to average 462.2 million lb., down 2.7 per cent from 475.0 million lb. over the same four week period a year ago.

U.S. beef production for the week ending April 9 was estimated at 444.6 million lb., down 1.4 per cent from 450.7 million lb. the previous week, but up 8.9 per cent from 408.4 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending April 2, 2016, was estimated to average just over 2.002 billion lb., up 1.0 per cent from 1.982 billion lb. over the same four weeks a year ago. Year-to-date, total U.S. meat production for 2016 is estimated to be up almost 2.0 per cent compared to the same period in 2015.

United States Weekly Meat Production

(April 2) Four Week Average - Million Lb.			Percent Change	
	2015	2016	4 Week	YTD 2016
Pork	477.4	466.5	-2.3%	-0.3%
Beef	429.6	451.6	5.1%	3.3%
Chicken	945.8	960.8	1.6%	3.0%
Turkey	129.0	123.3	-4.4%	-1.4%
Total	**1,981.8**	**2,002.2**	**1.03%**	**1.96%**

Source: LMIC

Cutout Values

U.S. pork cutout values for the week ending April 9, 2016 averaged US$77.23 per cwt, up US$0.73 per cwt or 1.0 per cent from US$76.50 per cwt the previous week, and up 17.5 per cent from US$65.73 per cwt from the same week a year ago.

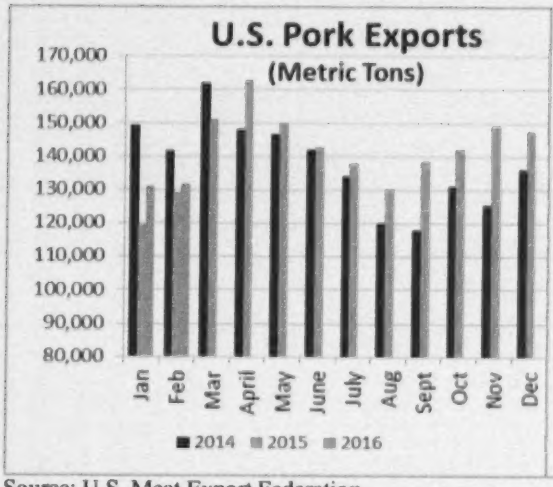
Choice beef cutout prices (600-900 lb.) for the week ending April 9, 2016 averaged US$216.21 per cwt over the week, down US$6.26 per cwt or 2.8 per cent from US$222.46 per cwt the previous week, and down 16.0 per cent from US$257.50 per cwt the same week a year ago.

Average chicken cutout values (breast) for the week ending April 9, 2016 averaged US$115.96 per cwt, down 1.4 per cent from US$117.56 per cwt the previous week, and down 23.7 per cent from US$151.88 per cwt the same week a year ago.

United States Pork Exports

United States exported 131,592 metric tons of pork in February 2016, up 0.4 per cent from 131,034 metric tons in January 2016, and up 1.9 per cent from 129,144 metric tons from February 2015. By dollar amount, U.S. pork exports in February 2016 were US$345.3 million, up 1.7 per cent from US$339.5 million in January 2016, but down 10.2 per cent from US$384.6 million a year ago in February 2015. U.S. pork exports by volume are higher year-over-year, while pork exports by dollar value have declined reflecting overall lower pork cutout values at the end of 2015.

Total U.S. pork exports by volume for February 2016 were higher to China and Japan, year-over-year; but lower to Mexico, South Korea, and Canada. By dollar amount U.S. pork exports in February 2016 were noticeably higher to China, year-over-year; but significantly lower to Mexico and South Korea.



Source: U.S. Meat Export Federation

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